This record is a partial extract of the original cable. The full text of the original cable is not available.

UNCLAS SECTION 01 OF 02 MANAMA 000249

SIPDIS

DEPT FOR EB/ICP WILSON DEPT FOR NEA/ARP, NEA/REA AND NEA/ENA:ACUTRONA DEPT PLEASE PASS TO USTR BPECK, DOC KSCHLEGELMILCH, USPTO JURBAN/DLASHLEY-JOHNSON, AND LOC STEPP CAIRO FOR STEVE BONDY

E.O. 12958: N/A TAGS: <u>KIPR</u> <u>ETRD</u> <u>ECON</u> <u>BA</u>

SUBJECT: YEAR 2004 SPECIAL 301 INPUT: BAHRAIN'S PROGRESS

REF: STATE 29549

 $\underline{\P}1$. SUMMARY: In 2003, Bahrain sustained a strong anti-piracy policy, seizing nearly 468,000 audiovisual products, mostly DVDs. The GOB legalized its Microsoft software and is now purchasing, rather than illegally copying, additional software products. Bahrain is holding up enactment of eight draft IPR laws that bring the country into TRIPS compliance so the laws can be brought into conformity with FTA requirements. Legislation to implement WIPO Copyright (WCT) and Performances and Phonograms (WPPT) treaties is pending in Parliament. END SUMMARY.

Enforcement of optical media piracy regulations still strong

- 12. Optical media piracy in Bahrain is not homegrown, Jamal Dawood Salman, Ministry of Information's Director of Publications and Press, told ECONOFF February 16. Salman said pirated DVDs and CDs mainly enter Bahrain from the Far East, primarily from Indonesia, Thailand and Malaysia; parallel imports of Zone 1 products occur principally through direct sales from the United States, or are brought acoss the Causeway from Saudi Arabia. The proportion of pirated items seized at the border is increasing relative to those found during shop raids, Salman said, because fewer illegal products are making it to the shelves.
- 13. The Directorate performs 550 shop raids per year. 2003, Salman's office confiscated 467,820 illegal audiovisual items and destroyed 33,730 of these (NOTE: Parallel imports, e.g., Zone 1 DVDs, often purchased via the internet, are generally returned to sender. END NOTE). The Directorate is working in conjunction with the Motion Picture Association, directly with studios such as Warner Brothers, Disney, and Paramount, and with the Arabian Anti-piracy Alliance to improve detection and stem the flow of pirated products into Bahrain. COMMENT: Making Bahrain a Zone 1 movie outlet would substantially reduce Bahrain's parallel import problem. END COMMENT.

Government software legalized

 $\underline{\P}4$. Through an October 5, 2003 MOU with Microsoft, the GOB legalized all its Microsoft software. The agreement is designed to keep the GOB legal by offering new releases, technical support, training and special incentives for schools and students. February 16, Bahrain Microsoft Business Development Manager Samir Benmakhlouf told ECONOFF that GOB desktops were "clean", i.e., free from illegal software, and that the ministries were buying (rather than illegally copying) additional products. He said that the GOB is complying fully with the MOU and its commitment to IPR protection.

Proposed IPR legislation under review for TRIPS and FTA compliance

- 15. Bahrain is serious about developing quality intellectual property protection legislation, Jameel Al Alawi, Director of Agreements and Treaties, Directorate of Legal Affairs told ECONOFF February 16. Within the last year, he said, the Bahraini Parliament passed three IP laws: Trade Secrets, Geographical Indicators, and Patents. The Trademarks law is with the parliament, ready for a vote. The Copyright law received cabinet approval, but now the Cabinet is modifying it to fulfill anticipated FTA obligations. The Cabinet is currently studying Integrated Circuits, Plant Varieties, and Industrial Design drafts. In addition, the UPOV treaty on plant varieties is under review at the cabinet.
- $\underline{\textbf{1}}6$. Al Alawi told ECONOFF February 16 that Legal Affairs is holding back the new intellectual property laws designed to bring Bahrain's regulatory system into TRIPS compliance to assure that they also conform to negotiated FTA requirements

and will not need to be amended. To that end, the Legal Affairs Directorate has provided English translations of these $\dot{}$ (draft) laws to the USG for study by appropriate agencies.

WIPO Copyright Treaty (WCT), WIPO Performances and Phonograms Treaty (WPPT) accessions soon $\,$

17. Legislation supporting the WIPO Copyright Treaty (WCT) and the WIPO Performances and Phonograms Treaty (WPPT) has been passed by the cabinet and parliamentary committees and is currently with the Council of Representatives (the elected house of Bahrain's National Assembly). Jameel Al Alawi, Director of Agreements and Treaties, Directorate of Legal Affairs told ECONOFF February 16 that he expects this legislation to pass once parliament reconvenes, within the next few weeks. FORD